

26 September 1970

TRACK I.

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A. [REDACTED]

1. Daily propaganda items are being generated and replayed by [REDACTED]. Efforts are being made to [REDACTED] depict Allende as having served as intermediary for Castro.

2. Steps have been taken to exploit deteriorating economic situation described by Minister of Economy Zaldivar in his public report of 24 September.

3. [REDACTED]

4. [REDACTED]

5. [REDACTED]

B. Accomplishments:

[REDACTED] involved continue to produce [REDACTED] propaganda items dealing with the Chile situation along the lines of our guidance. An article [REDACTED] by Headquarters on [REDACTED] September was placed by the Station on [REDACTED] September in the influential [REDACTED] daily. New materials are being produced to focus the pressure more directly on Frei.

C. Situation:

There are indications that Frei continues to keep all his options open primarily by deciding not to take any action. Publicly both the PDC and the PN continue discussions, with the PDC attempting to gain a bargaining advantage by publicizing some of its "conditions" for cooperation in a coalition government. In the meantime, there is still no indication of what General Schneider reported to the members of the military high command about his conversation with Frei nor any information about their reaction.

Declassified and  
Approved for Release  
July 2000

SECRET/ [REDACTED]